



ROMI®

A TRADITION OF INNOVATION



4Q11 Earnings Release

February 8, 2012

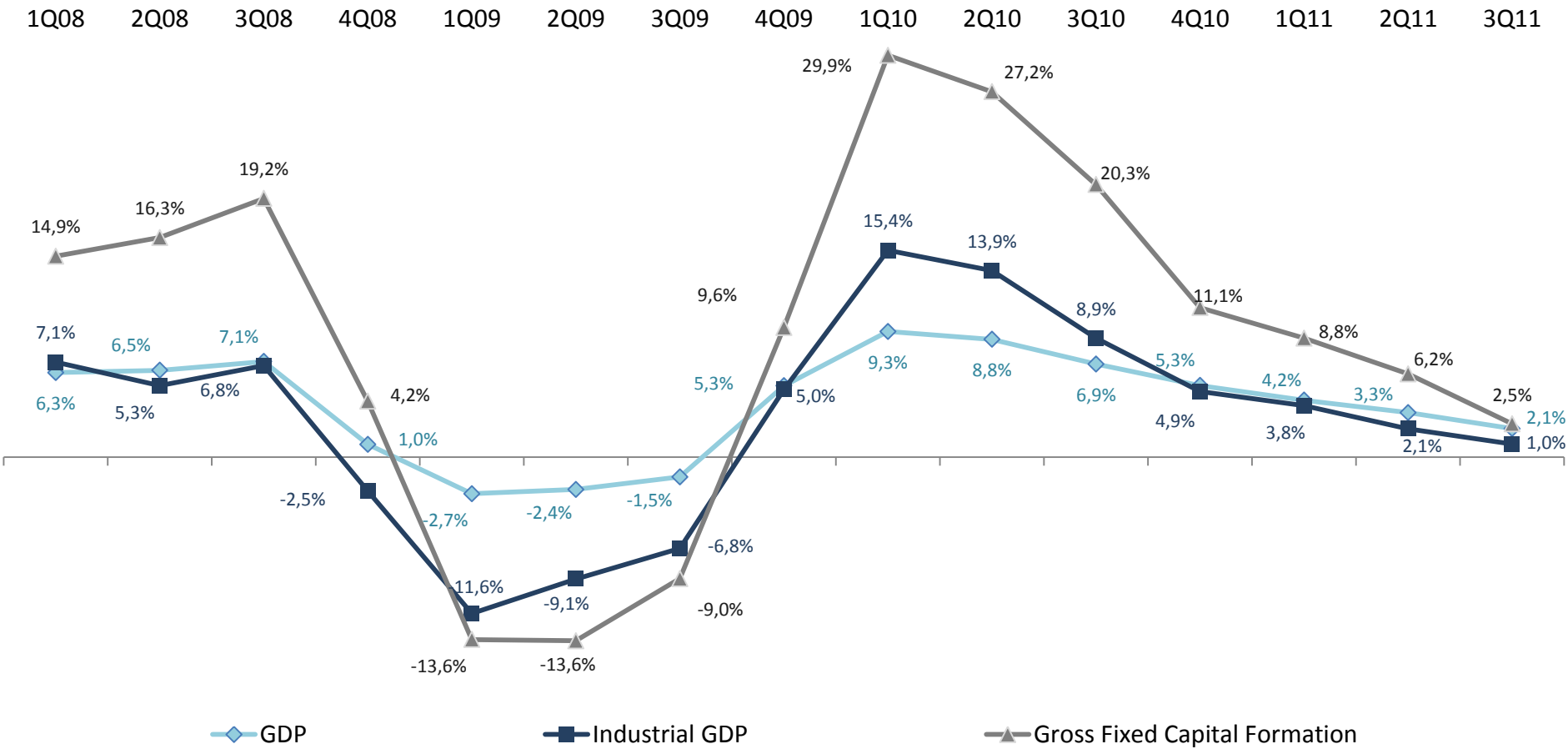


This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company. The reservations as to forward-looking statements also apply to information on possible or presumed operating results, as well as any statements preceded, followed or including words such as "believes", "may", "will", "expects", "intends", "plans", "estimates" or similar expressions. Forward-looking statements are not performance guarantees; they involve risks, uncertainties and assumptions because they refer to future events and, therefore, depend on circumstances which may or may not occur. Future results may differ materially from those expressed or suggested by forward-looking statements. Many of the factors which will determine these results and figures are beyond Romi's control or prediction capacity.



- Romi broadens its portfolio of high-tech products and expands its global operations with the acquisition of **Burkhardt + Weber**, a German manufacturer of machine tools
- The Rough and **Machined Cast Iron Parts** business unit's net revenue grew 62.6% in 4Q11 in relation to 4Q10, and 45.7% in 2011 in relation to 2010
- The **Machine Tool** business unit's new orders posted growth of 4.7% in 2011 compared to 2010
- In 4Q11, revenue from the **foreign market** grew 21.9% in relation to 4Q10
- **New orders** totaled R\$ 692.1 million in 2011, similar to the figure for 2010, demonstrating solid and consistent performance even in times of adverse conditions

Economic Indexes – Conjunctural Indicators

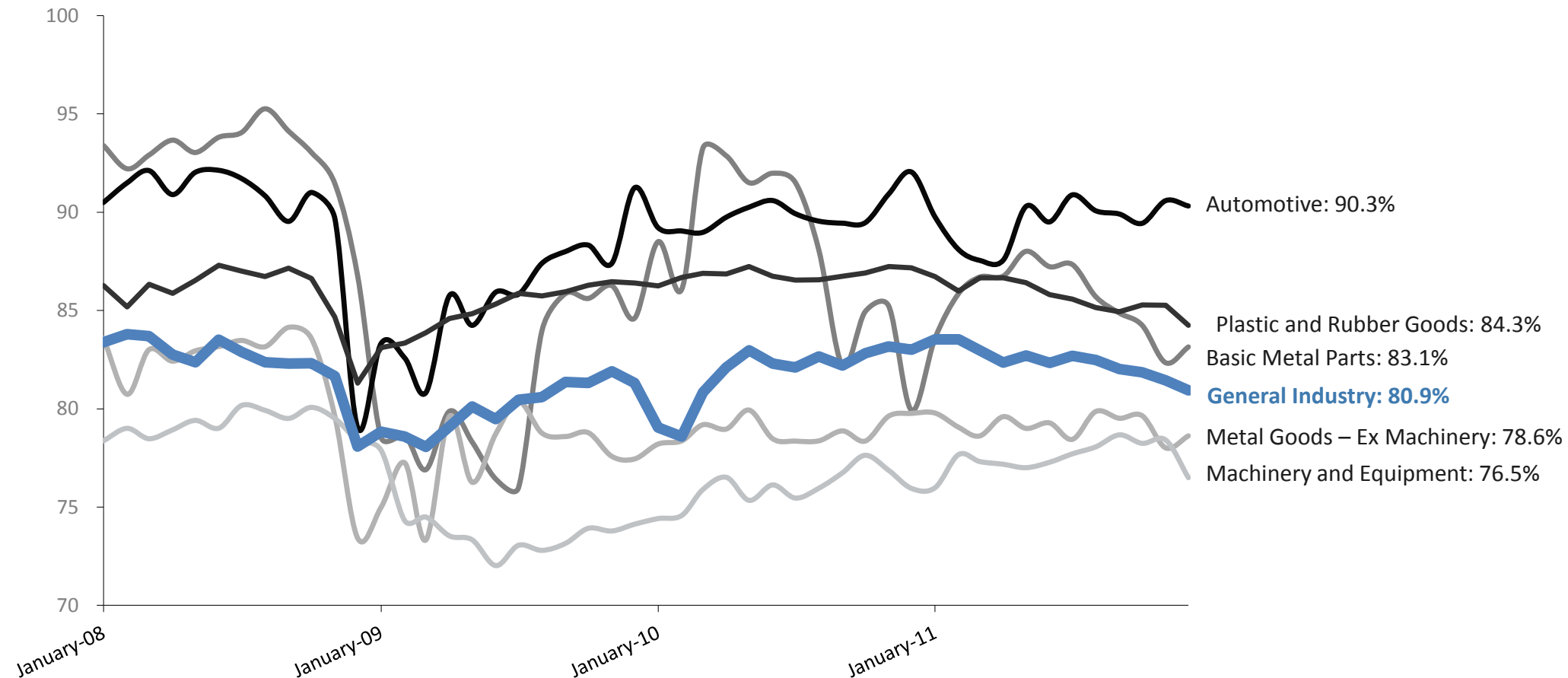


Source: IBGE

Economic Indexes – Level of Activity Index



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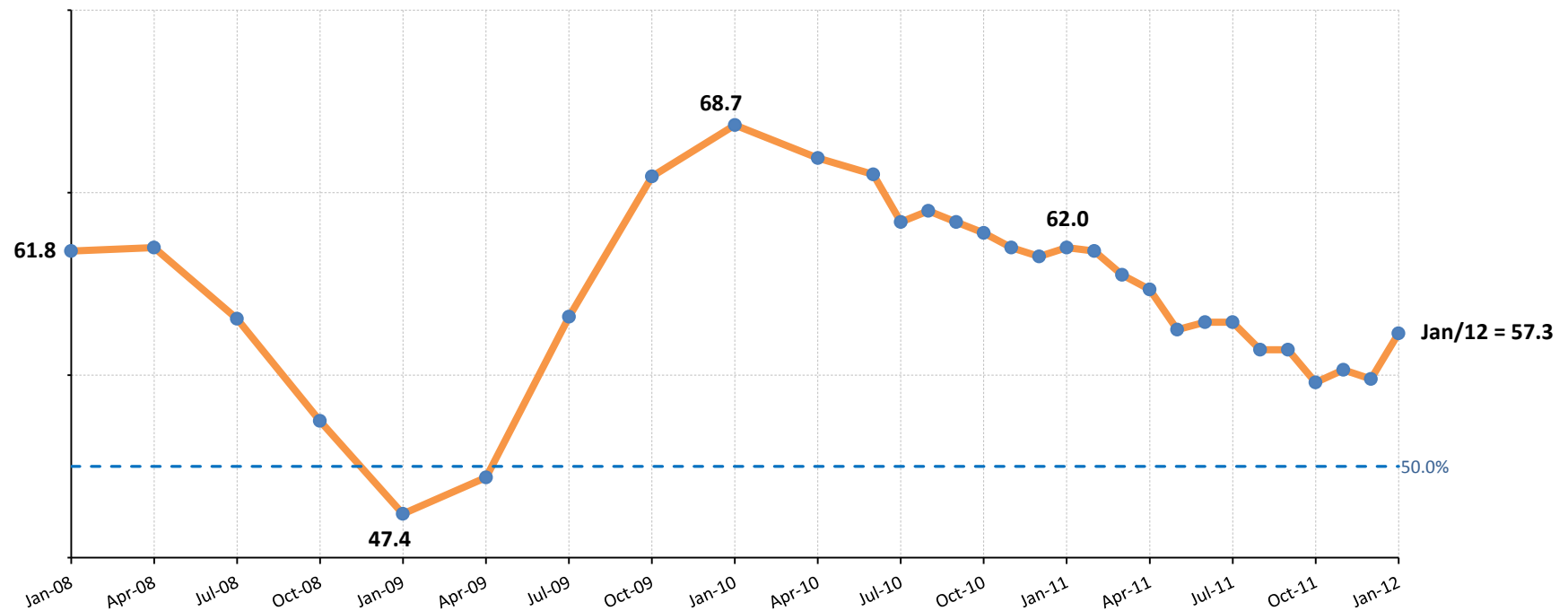


Source: Fiesp -INA Activity Level Indicator - NUCI (Level of Utilization of Installed Capacity)

Economic Indexes – Industrial Entrepreneur Confidence Index



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Source: CNI - ICEI (Industrial Executives' Confidence Index)



METAL CHIPING					
TURNING			MILLING		
ENGINE LATHES	CNC LATHES		TURNING CENTERS	MACHINING CENTERS	BORING MACHINES
	LIGHTWEIGHT	HEAVYWEIGHT			
					
EXAMPLES OF PARTS PRODUCED IN OUR MACHINES					
	Machine-tool spindle	Pulley	Spindle and mill cylinder set	Automotive transmission gear	Automotive transmission housing
					
					Large size valve

Net Operating Revenues Distribution		
	2011	2010
Job Shops	29%	22%
Capital Goods	15%	16%
Automotive	11%	11%
Tooling	7%	6%
Hydraulic	4%	5%
Agricultural Equipment	4%	3%
Others	30%	37%



PLASTIC PROCESSING MACHINES

INJECTION MOLDING

INJECTION MOLDING MACHINES



BLOW MOLDING

PLASTIC BLOW MOLDING MACHINES



PET BLOW MOLDING MACHINES



EXAMPLES OF PARTS PRODUCED IN OUR MACHINES



18 liter Industrial Bucket



Beach chair



Motorcycle fender

Automotive taillight



Syringe



Plastic blown bottles for the Hygiene, Cleaning, Food, Pharmaceutical and Chemical industries, among others



PET bottles up to 6 liters

Net Operating Revenues Distribution

	2011	2010
Packaging	22%	39%
Job Shops	15%	11%
Automotive	12%	18%
Home Appliances	8%	7%
Building	7%	2%
Furniture	6%	4%
Others	30%	19%



FOUNDRY	
ROUGH CASTINGS	MACHINED CASTINGS
PARTS PRODUCED OF GRAY, NODULAR AND VERMICULAR IRON CAST	CNC MACHINING CASTS
	

EXAMPLES OF PARTS PRODUCED



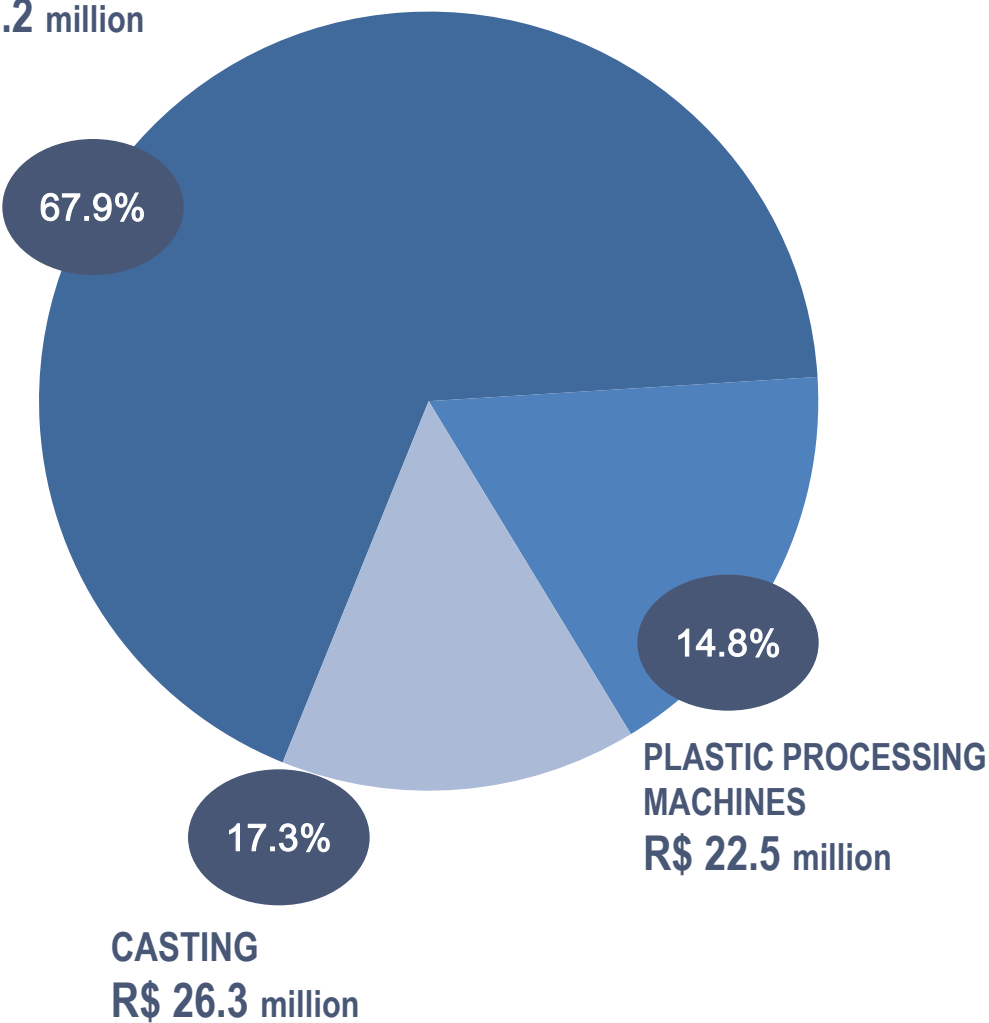
Net Operating Revenues Distribution		
	2011	2010
Automotive - Trucks	53%	70%
Agricultural Equipment	12%	17%
Electricity Generation	15%	3%
Automotive - Cars	4%	2%
Capital Goods	8%	8%
Others	8%	0%

Net Sales per Business Unit

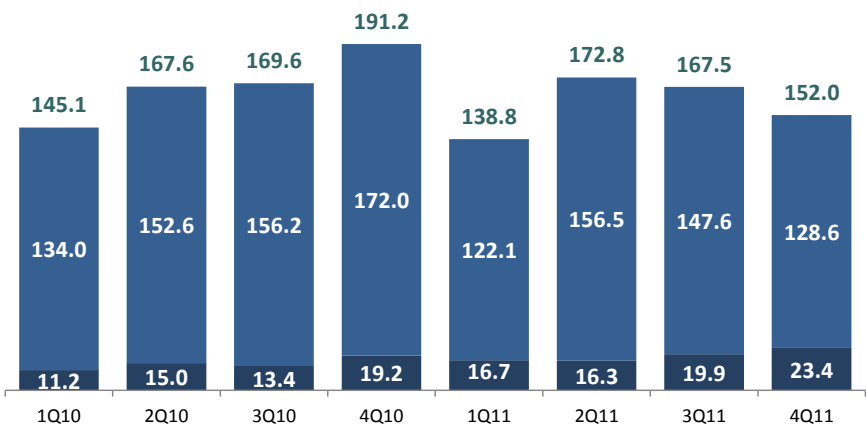
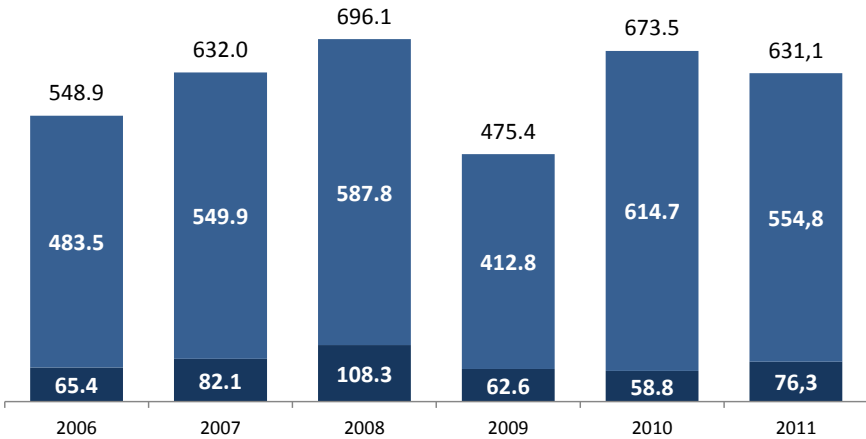
4Q11



MACHINE TOOLS
R\$ 103.2 million



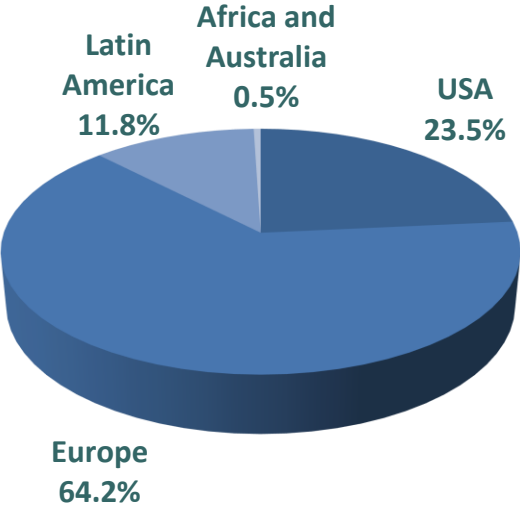
Net Operating Sales (R\$ million)



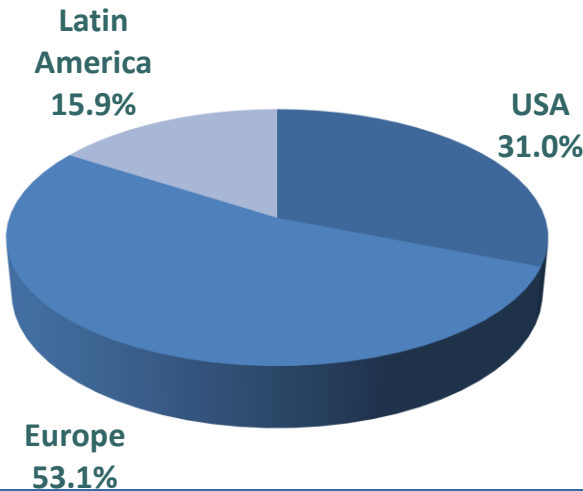
■ Foreign Sales ■ Local Sales



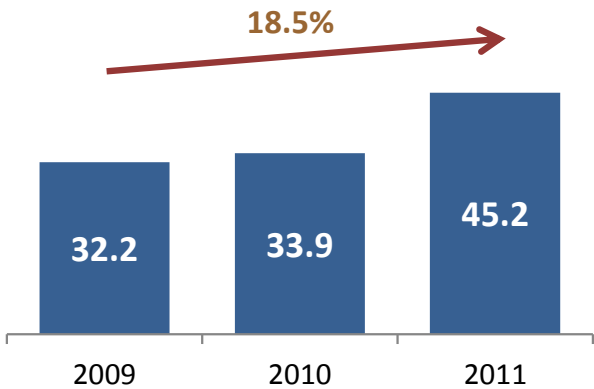
4Q10 Foreign Sales Destination



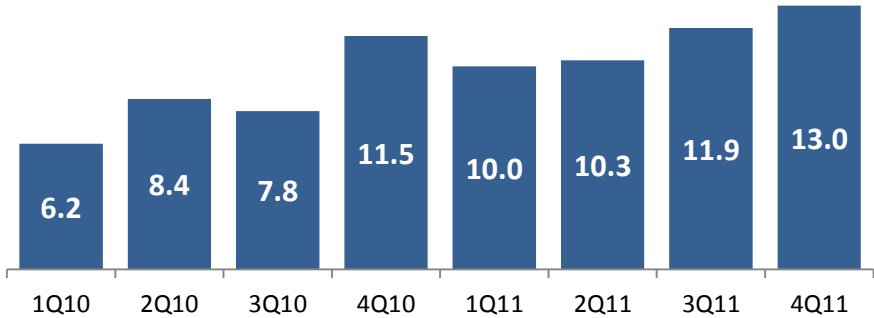
4Q11 Foreign Sales Destination



Year Foreign Sales – US\$ million



Quarter Foreign Sales – US\$ million



Order Entry

R\$ thousand



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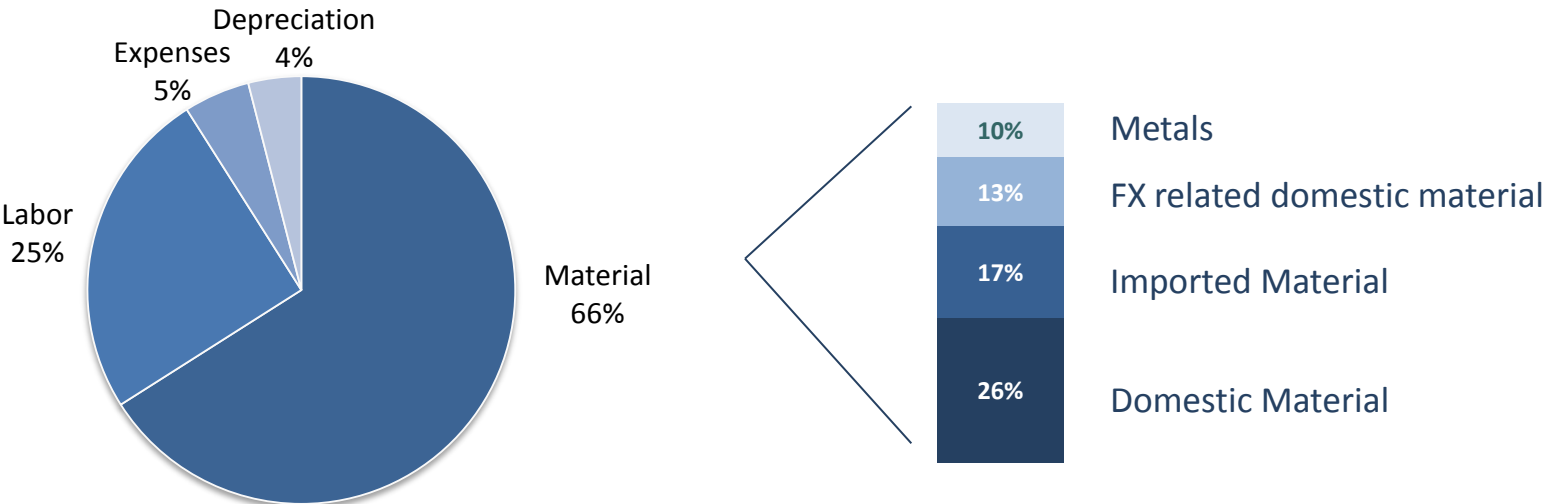
Order Entry (R\$ thousand)	4Q09	1Q10	2Q10	4Q10	1Q11	2Q11	3Q11	4Q11	Chg % 4T11/4T10
Machine Tools	158,061	94,084	132,784	99,194	110,370	129,179	113,057	105,751	6.6%
Plastic Machines	71,065	42,138	53,187	32,127	30,418	37,846	27,861	25,495	-20.6%
Rough and Machined Cast Iron Parts	17,585	21,968	22,065	13,729	38,149	21,186	33,304	19,445	41.6%
Total	246,711	158,190	208,036	145,050	178,937	188,211	174,222	150,691	3.9%

Order Entry (R\$ thousand)	2008	2009	2010	2011	Chg % 2011/2010
Machine Tools	479,200	381,436	437,839	458,357	4.7%
Plastic Machines	124,496	163,557	171,317	121,619	-29.0%
Rough and Machined Cast Iron Parts	118,542	47,828	82,038	112,084	36.6%
Total	722,238	592,821	691,194	692,060	0.1%

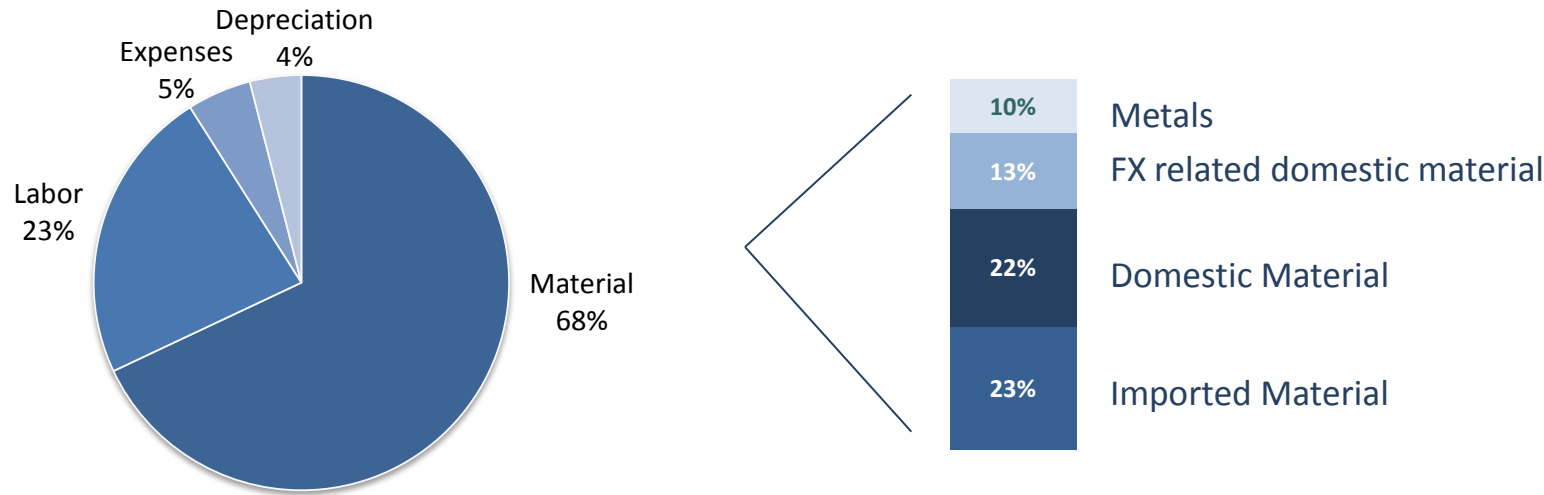
Note: Gross values, including sales taxes



2010

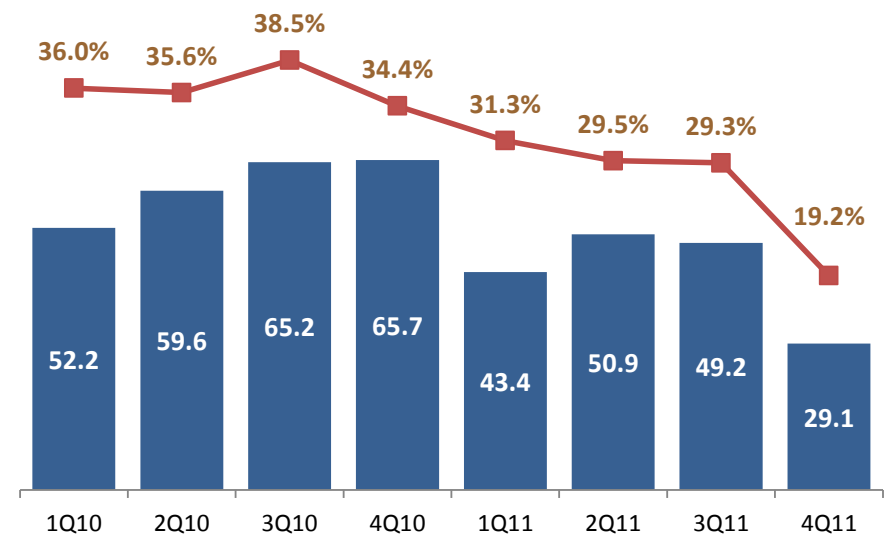
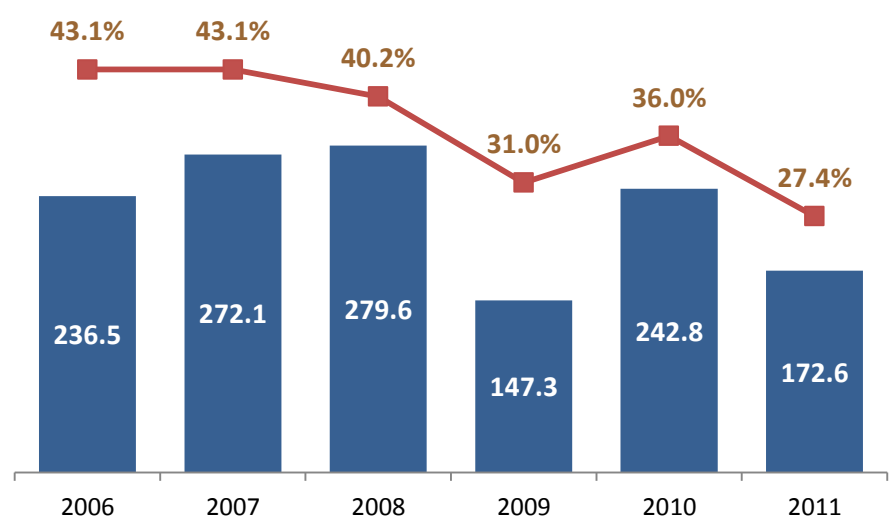


2011

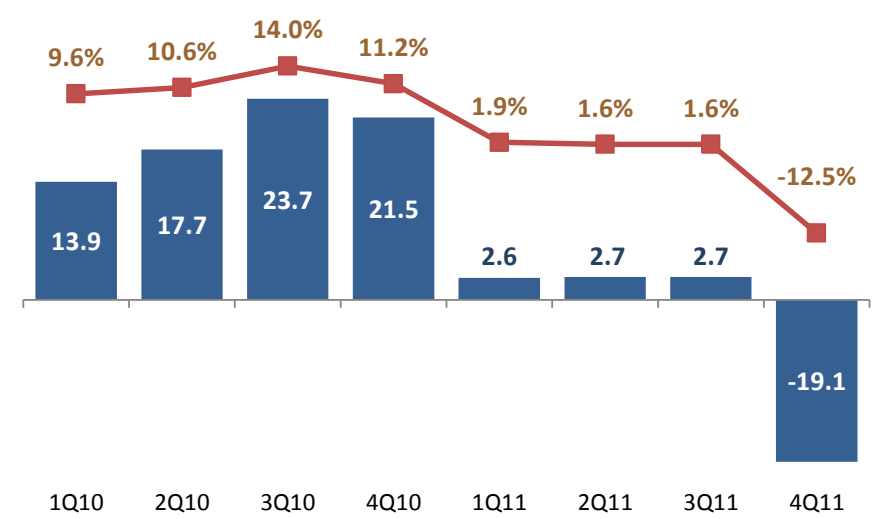
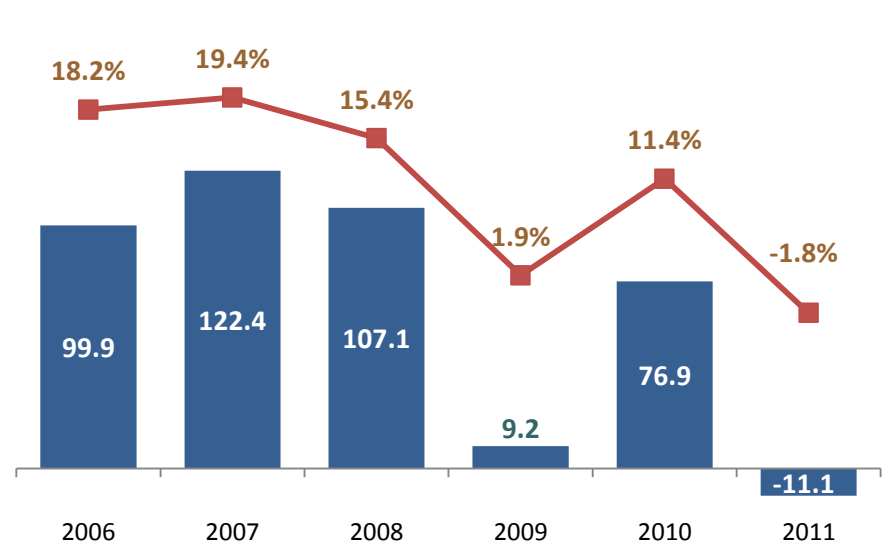




Gross Profit (R\$ million) and Gross Margin

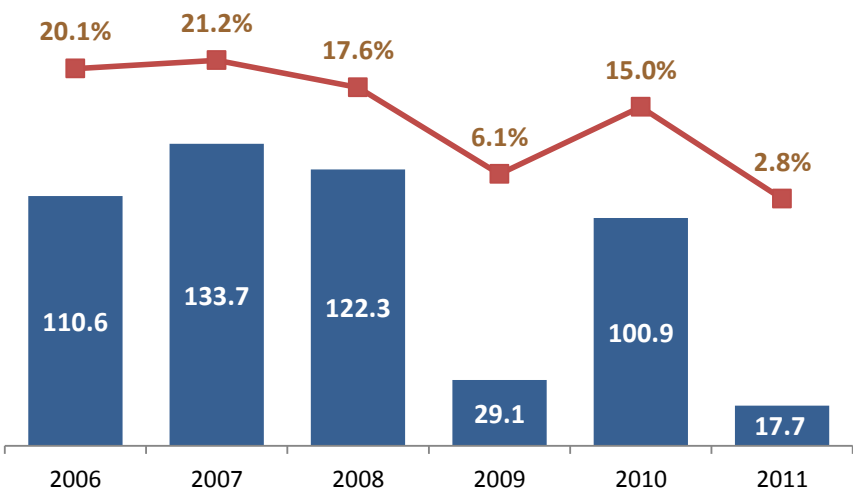


EBIT (R\$ million) e EBIT Margin

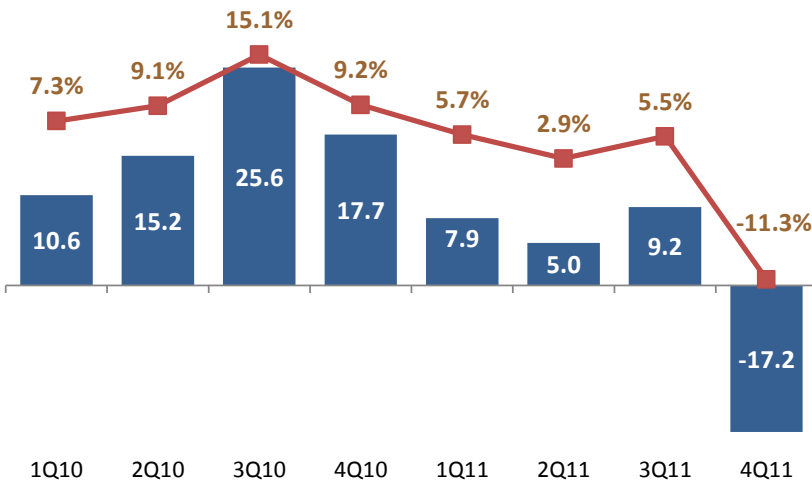
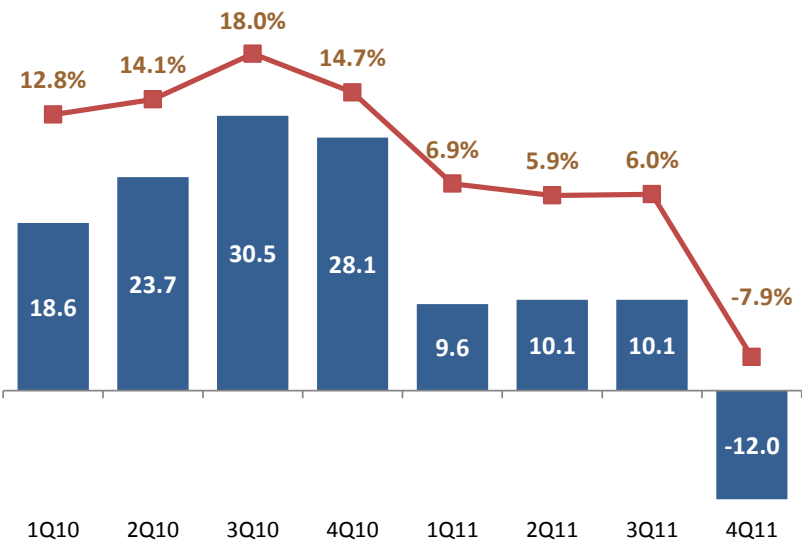
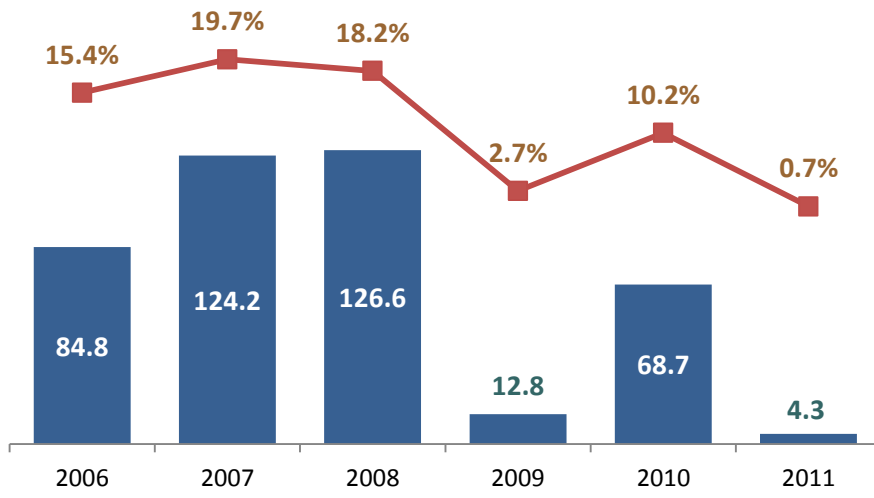




EBITDA (R\$ million) and EBITDA Margin



Net Profit (R\$ million) and Net Margin



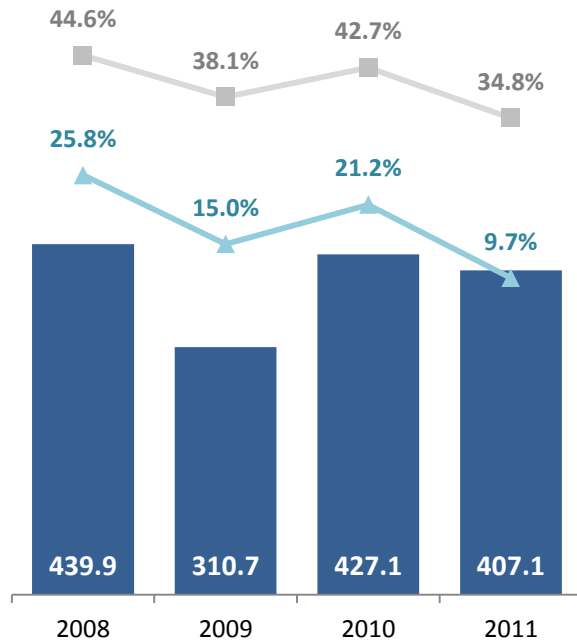
Business Units' Results



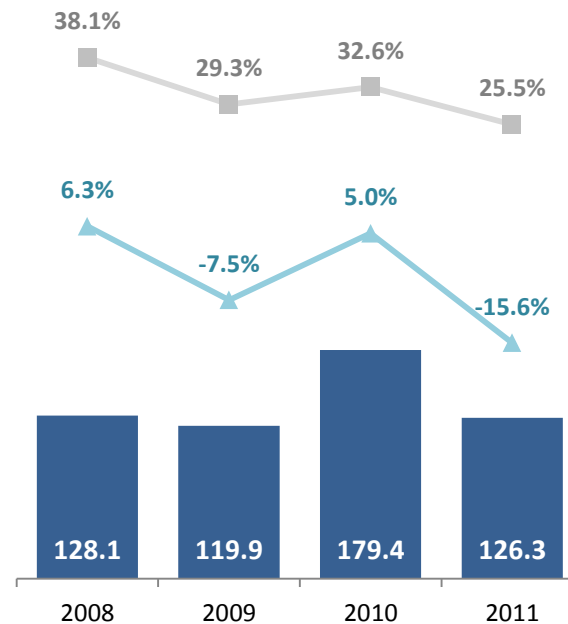
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Sales	Quarter								Accumulated	
	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	2010	2011
Machine Tools (units)	526	538	556	706	441	572	519	511	2,326	2,043
Plastic Machines (units)	83	119	112	111	101	129	96	61	0,425	0,387
Rough and Machined Cast Iron Parts (tons)	2,432	3,016	3,403	2,635	3,240	3,850	5,299	4,250	11,486	16,639

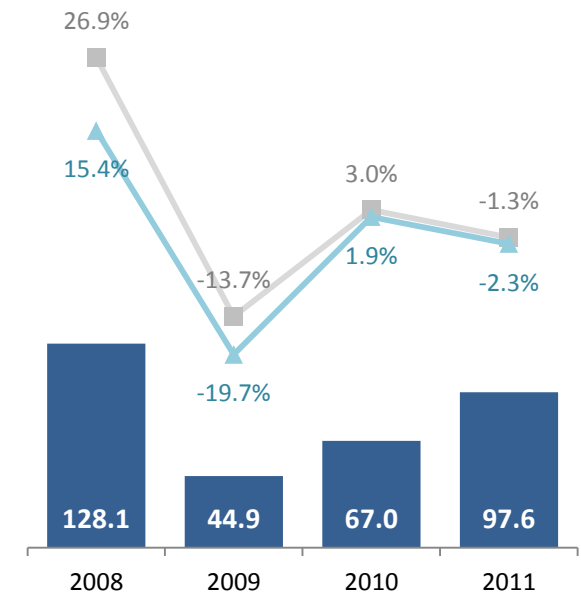
Machine Tools



Plastic Machines



Rough and Machined Cast Iron Parts



■ Net Revenues ■ Gross Margin ▲ EBITDA Margin



Cash and Cash Equivalent – R\$ million – 12/31/2011

	Amount
Bank Deposit Certificate (CDB)	82.5
Financial Investment with Bonds	28.3
Time Deposit - Abroad	52.0
Banks	0.2
Total	163.0

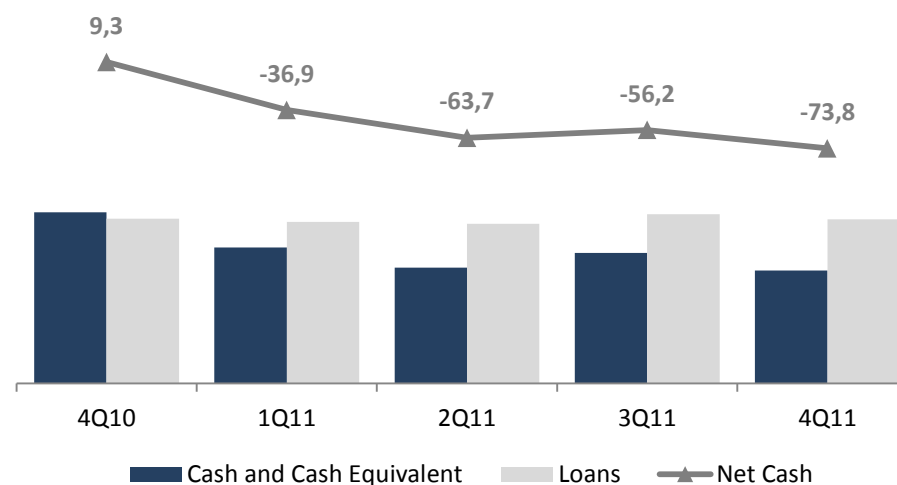
Net Debt = 73.8

Loans* – R\$ million – 12/31/2011

	Amount
2011	113.0
2012	51.8
2013	25.6
2014	18.6
2015	14.8
2016 and afterwards	13.0
Total	236.8

(*) without Finame Manufacturer

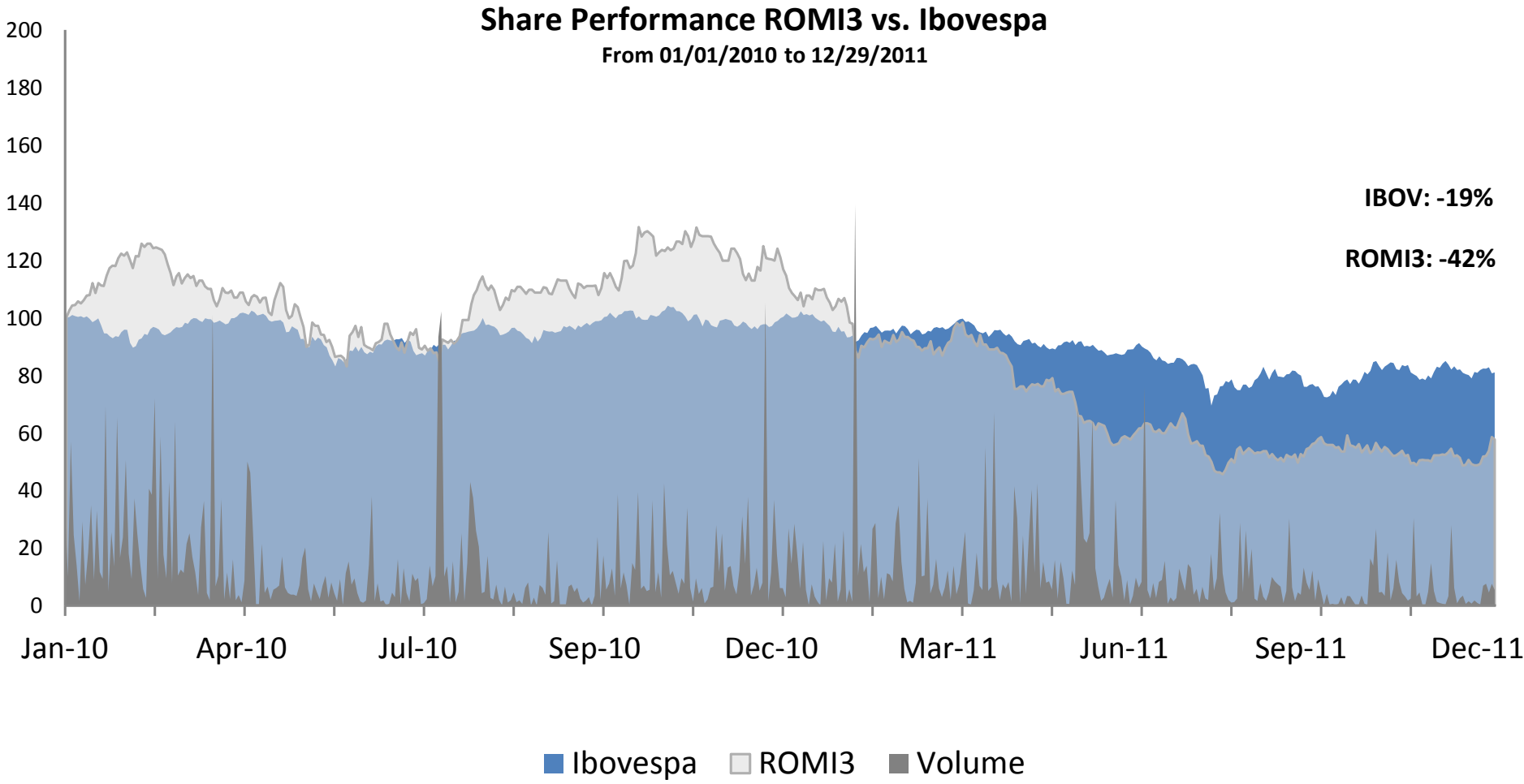
Net Cash(Debt) Position





- Acquisition: concluded on January, 31 2012
- Transaction Value: € 20.5 million, of which € 4.1 refers to net cash position (EV = approx. € 16,4 million)
- Expected Net Revenue (FY 03/2012E): € 36.0 million
- EBITDA (FY 03/2012E) / (EV/EBITDA FY 03/2012E): 7.5% / 6.1 x
- Founded in 1888, has an established brand recognized worldwide
- Industrial operation of 14.100m² (39.000m² of land) in Reutlingen, a prominent industrial zone and development area of high-tech manufacturing in Germany
- Product portfolio consists of large horizontal machining centers and special purpose machines
- Recognized for the high degree of precision and technology of its products and processes
- Strong presence in the Asian market, where it holds a stake of 30% in a sales company to provide sales and after sales services
- Strategic rationale of the acquisition:
 - Product portfolio with high technology and precision
 - Market and operations basis expansion
 - Asian markets presence;
 - Reduce reliance on the domestic market





Source: BM&FBovespa



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